

NYISO Management Committee Meeting

September 12, 2002

4 Irving Place
New York, N.Y.

Draft MINUTES OF THE MEETING

1. Introduction and Meeting Objectives and Chairman's Report

Mr. Hiney called the meeting to order at 10:10 AM and welcomed the members of the Management Committee ("MC"). He noted that the objectives for the meeting included MC action on three items; a motion to amend the Tariff with regard to Unforced Capacity Delivery Rights, a motion to amend TCC Credit Policy, and motion to approve Bad Debt Policy. Mr. Hiney also informed the committee that the agenda had been modified to allow for discussion of the motion to amend TCC Credit Policy before the lunch break.

2. Approval of the Minutes

Mr. King presented the minutes of August 8th Management Committee Meeting for approval. Mr. Kinney requested a correction of the minutes that was accepted by the committee. A motion was made and seconded to accept the August 8th minutes with Mr. Kinney's correction.

Motion #1:

Motion to approve the Minutes of August 8, 2002

(Motion #1 passed unanimously by a show of hands)

3. President's Report

Reliability Indicators

Mr. Museler began the president's report by noting the improvement in the control performance standard, CPS2, for August over the prior month. He indicated that the dip in performance for July may be attributed to a unique transmission facility event and the implementation of load pocket modeling.

Market Performance Highlights

Mr. Museler commented that regulation clearing prices were uniformly high. He added that Dr. Patton had reviewed the regulation market and found that the pattern of offers was not changing dramatically. He also said that the SCUC was functioning properly by committing energy and regulation to co-optimize the markets, and that there was no indication of market manipulation. Mr. Wentlent asked how much regulation is being

purchased. Ms. Robinson replied that 70 MWs are purchased on-peak and 40 MWs off-peak.

Mr. Museler observed that, for zones J and K, the market did not see the price excursions similar to the prior year. He indicated that the next improvement in market performance would be through the implementation of the real time scheduling system. Mr. Brown asked why the prices were not converging in zones other than J and K. Mr. Museler said that Dr. Patton is looking at the other zones, and took the question as an item to address at a future MC meeting.

Enron Audit

Mr. Museler reported that the KPMG final audit recommendations have not yet been issued to the Board of Directors. He said the purpose of the KPMG audit was not only a determination of what happened in the Enron congestion rent issue and an opinion as to why, but also to look at the NYISO financial problem resolution process and make recommendations for improvements. He stated that the financial impact on participants could not be precisely computed until the bills for the effective period were re-run.

Billing Issues Review

In response to Mr. Parmalee's question, Mr. Ragogna stated that the age of the 26 open billing issues were generally within six months. Mr. Museler reported that two major exposure issues, CT price setting and regulation penalties were resolved in August by FERC orders as the NYISO requested. Mr. Museler some draft KPMG recommendations and said that most would be implemented in one form or another. In response to a question from Mr. Rudebusch, Mr. Ragogna stated that there would be no immediate impact on the "Financial Assurance Policy" as a result of the recommendations.

Status of MPAAS

Mr. Museler's reported that a lot of progress has been made with respect to MPAAS involvement in the front end of the NYISO audit process. He said the Board had not yet decided how the MPAAS would be informed about the results of future audits. He, also reported that, with respect to the Enron congestion rent issue, the Board had not yet decided what information could be made available.

FERC SMD NOPR

Mr. Museler presented the expected schedule for FERC SMD rule making process up through a full implementation date of September 30, 2004. He affirmed that the NYISO would take an active role in the process, and announced a market participant meeting for September 23, 2002. He also provided a schedule for FERC stakeholder meetings and FERC technical conferences. Mr. Fromer asked if the NYISO staff could construct a matrix similar to the one found on the ISO-NE web site. Ms. Robinson said she would work with Mr. Buechler to have such a matrix available for the September 23rd meeting.

Working Capital Policy Filing with FERC

Mr. Museler reported that the Board decided not to use working capital as collateral and expected that the NYISO will go forward with a 206 filing.

2002 Billable Load - Impact On Budget

Mr. Museler indicated that size of the impact of billable load on the budget had diminished since the total MWhrs of load for July and August were greater than anticipated.

4. Motion to Amend the Tariff with Regard to Unforced Capacity Delivery Rights

Mr. Charlton presented the details of a proposal to amend the Market Services Tariff and Installed Capacity Manual to incorporate the implementation of Unforced Capacity Delivery Rights ("UDR"). His presentation addressed all of the sections within the tariff and manual that would need to be added or revised to implement the proposal.

Motion #2:

Motion to amend the NYISO Services Tariff as Proposed by the ICAP WG, and approved by the Business Issues Committee August 21, 2002.

Unforced Capacity Deliverability Rights

WHEREAS, the Installed Capacity working group has reviewed and proposed changes to the NYISO Services Tariff to reflect a new Capacity product known as Unforced Capacity Deliverability Rights;

WHEREAS, this proposal comprises the first stage of a multi stage proposal that the Installed Capacity working group will continue to develop;

WHEREAS, the proposed Installed Capacity Manual changes presented in this proposal will not set any precedent in connection with any other issues associated with Unforced Capacity Deliverability Rights not therein addressed;

WHEREAS, the proposed revisions to the Installed Capacity Manual will be implemented following FERC approval of the proposed Service Tariff revisions;

NOW, THEREFORE, IT IS MOVED that the Management Committee approve the attached proposed revisions to the NYISO Services Tariff, presented at the September 12, 2002 MC Meeting, adding the following language to the end of Section 2.194a1 of the Services Tariff:

"To the extent the NYCA interface is with an External Control Area the Unforced Capacity associated with UDRs must be deliverable to the Interconnection Point."

The Management Committee recommends this tariff amendment to the Board for its approval and subsequent filing with FERC.

Mr. Fromer asked for, and received, a clarification that the interconnection point for the Cross Sound Cable project was Shoreham substation. He also asked what happens in the event that a facility is awarded rights for 300 Mw but then the line is derated to a capability less than 300 Mws. Mr. Charlton replied that, similar to ICAP, the twelve-month availability of the facility would be re-calculated every month, and the holder of the UDRs could become deficient.

The motion was approved by a roll-call vote.

(Motion #2 passed with 86.55 % affirmative votes)

Mr. Charlton also discussed a flaw found by the NYISO staff in the ICAP Market calculation method. He said that, as a result of the flaw, not enough ICAP resources were being purchased by the LSEs to meet the requirements of the New York State Reliability Council ("NYSRC"). He explained that the NYISO is translating the ICAP requirement specified by the NYSRC into a UCAP value using unit availabilities for the prior twelve months, whereas, the NYSRC had used unit availability averaged over the prior ten years in determining the reserve requirement. Mr. Charlton explained that the use of the two different availability values creates a disconnect that results in the short purchasing of ICAP.

Mr. Sasson contended that the current method for translating ICAP requirements into UCAP requirements was acceptable. Mr. D'Andrea asked if the NYISO intended to fix the problem before the next ICAP auction. Mr. Museler said the NYISO would prefer to get the ICAP working group ("ICAPWG") together to discuss the issue before the next auction. Mr. Picardi replied that he would be happy to have the issue addressed and expressed his concern that a retroactive change may affect planned maintenance outages. Mr. Fromer asked if a tariff change would be necessary. Ms. Lampi replied that the question is being looked into. Mr. Fromer also voiced his concern that forward positions in financial markets could be adversely affected by changes in the ICAP rules. Mr. Younger held that action on the issue will not move quickly if the transmission owners do not agree that a fix is required. Mr. Museler indicated that the NYISO would communicate its position at the next ICAPWG meeting and have the answer to whether or not a tariff filing would be necessary. Mr. Wemple did not agree with the conclusion that there is a disconnect in the translation methodology and used an example where he reversed the two availability values to make his point. Mr. Charlton replied that the NYSRC requirement is a minimum standard. Mr. Gioia maintained that NYSRC should be made aware of the problem. Mr. Charlton rejoined that the NYSRC would be informed at their September 13, 2002 meeting.

5. Motion to Amend TCC Credit Policy

Ms. Saia proposed to modify the TCC credit requirement which had been approved by the MC on May 2, 2002 and approved by the NYISO Board, but had not yet been filed with the FERC as requested by the MC. The additional proposed modification would allow holders of TCCs with equivalent and opposite positions to cancel out collateral requirements.

Mr. Nachmias asked why the issue was not discussed at the Credit Policy Working Group ("CPWG"). Mr. Gootee replied that the CPWG did discuss the issue at their September 11th meeting. He announced the CPWG's support of the proposal if the implementation could be automated. Mr. Butterklee claimed that forward contracts are not aggregated in bankruptcy court, and therefore a bankruptcy court ruling could still

result in an exposure even though the two contracts have balancing positions. Mr. Younger wondered why the NYISO couldn't collapse two balancing contracts.

A motion to approve the proposed modification was deferred to the MC meeting by conference call scheduled on September 20, 2002.

6. Motion to Approve Bad Debt Policy

Mr. Ragogna presented a proposed policy and procedure for collecting bad debt losses. He indicated that the proposal had circulated previously, but MC action was deferred to allow market participants to propose amendments to it. He explained that the policy and procedure was intended to clarify existing tariffs with respect to recovery of bad debt. He also specified that the policy would recover losses from transmission customers subject to Rate Schedule 1 charges during the months of the bad debt.

A motion was made, and seconded, to approve the Bad Debt Losses Policy and Procedures.

Motion #3:

The Management Committee approves the Bad Debt Losses Policy and Procedure as presented to the Committee September 12, 2002 and recommends that the Board approve it and file it with FERC.

Mr. Rudebusch proposed to amend the proposal such that all references in the proposal to "transmission customers" are changed to "customers". Mr. Rudebusch's proposal was not accepted as a friendly amendment. Ms. Lampi deemed that the appropriate term is "transmission customer". Mr. Freilicher added that the language in the tariff couldn't be changed without amending the tariff.

A motion was made, and seconded, to amend Motion #3 to change the term "transmission customer" to "customer".

Motion #4:

Motion to amend Motion #3 to modify the Bad Debt Losses Policy and Procedure as follows:

- 1) Remove the word "transmission" from the second line of Section 3, paragraph 3.**
- 2) Remove the words "of the OATT" from the third line of Section 3, paragraph 3.**
- 3) Remove the word "transmission" from the 4th bullet of Section 3, paragraph 4.**
- 4) Remove the word "transmission" from Section 3, paragraph 6.**

(Motion#4 failed with 53.31 % affirmative votes)

Following is a lengthy discussion of the proposed policy, during which much confusion was evident, it was suggested that a vote on the issue be deferred.

Mr. Parmelee withdrew his motion to approve the proposed policy. The proposed policy will be discussed again at the September 20th MC meeting.

(Motion#3 was withdrawn)

7. Adjournment

The meeting adjourned at approximately 2:15 pm.

NYISO Management Committee Meeting

September 12, 2002

Consolidated Edison, New York, NY

MOTIONS FROM THE MEETING

Motion #1:

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(Motion passed unanimously by a show of hands)

Motion #2:

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WHEREAS, the Installed Capacity working group has reviewed and proposed changes to the NYISO Services Tariff to reflect a new Capacity product known as Unforced Capacity Deliverability Rights;

WHEREAS, this proposal comprises the first stage of a multi stage proposal that the Installed Capacity working group will continue to develop;

WHEREAS, the proposed Installed Capacity Manual changes presented in this proposal will not set any precedent in connection with any other issues associated with Unforced Capacity Deliverability Rights not therein addressed;

WHEREAS, the proposed revisions to the Installed Capacity Manual will be implemented following FERC approval of the proposed Service Tariff revisions;

NOW, THEREFORE, IT IS MOVED that the Management Committee approve the attached proposed revisions to the NYISO Services Tariff, presented at the September 12, 2002 MC Meeting, adding the following language to the end of Section 2.194a1 of the Services Tariff:

"To the extent the NYCA interface is with an External Control Area the Unforced Capacity associated with UDRs must be deliverable to the Interconnection Point."

The Management Committee recommends this tariff amendment to the Board for its approval and subsequent filing with FERC.

(Motion passed with 86.55 % affirmative votes)

Motion #3:

The Management Committee approves the Bad Debt Losses Policy and Procedure as presented to the Committee September 12, 2002 and recommends that the Board approve it and file it with FERC.

(Motion withdrawn)

Motion #4:

Motion to amend Motion #3 to modify the Bad Debt Losses Policy and Procedure as follows:

- 1) Remove the word "transmission" from the second line of Section 3, paragraph 3.
- 2) Remove the words "of the OATT" from the third line of Section 3, paragraph 3.
- 3) Remove the word "transmission" from the 4th bullet of Section 3, paragraph 4.
- 4) Remove the word "transmission" from Section 3, paragraph 6.

(Motion failed with 53.31 % affirmative votes)

New York Independent System Operator - Committee Membership

Management Committee - Attendance September 12, 2002 - New York, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
NYS Energy Research & Develop. Auth.	End Use - Gov. Agency/Aggr.	Paul DeCotis	✓ Jeffrey Gerber	Erin Hogan					
The City of New York	End Use - Gov. Agency/Aggr.	Michael Delaney	✓ Richard Miller	Scott Butler	Jonathan Wallach				
Alcoa/Reynolds Metals Company	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	✓ Michael Mager					
ATCO Management Co.	End Use - Large Consumer	Peter DiCapua	Scott Petersen	George Diamantopoulos					
IBM Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager						
Occidental Chemical Corp.	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	✓ Michael Mager					
Praxair Inc.	End Use - Large Consumer	Christian Lenci	Robert Loughney	✓ Michael Mager					
Xerox Corporation	End Use - Large Consumer	Robert Loughney	✓ Michael Mager	✓ Michael Mager					
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	✓ Jesse Samberg	Gary Caplan	Walter McCarroll					✓ Joe Sardo
Association for Energy Affordability, Inc.	End Use - Small Consumer	David Hepinstall	✓ Larry DeWitt						
Beth Israel Health Care System	End Use - Small Consumer	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Building and Realty Institute	End Use - Small Consumer	✓ Herb Rose	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi			
Citizens Advisory Panel	End Use - Small Consumer	End Use - Small Consumer	✓ Larry DeWitt						
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumer	✓ Herb Rose	MaryAnn Rothman	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi		
Columbia University	End Use - Small Consumer	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Mount Sinai Medical Center	End Use - Small Consumer	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York Energy Buyers Forum	End Use - Small Consumer	Marjorie Ochroch	Ted Lee	David Bomke	✓ Tariq Niazi	✓ Herb Rose			
New York Presbyterian Hospital	End Use - Small Consumer	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
New York University	End Use - Small Consumer	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner			
Refined Sugars, Inc.	End Use - Small Consumer	John Gebhard	Quintin George	✓ Catherine Luthin	✓ John Dowling	Jennifer Kearney			
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner						
AES NY	Generation Owners	✓ Christopher Wentlent	Rick Santoroski	Charles Sjoberg					
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson						
Astoria Energy LLC	Generation Owners	William May	Leonard Singer						
Calpine	Generation Owners	John Eff	Thomas Kaslow	✓ Richard Felak					
East Coast Power	Generation Owners	Gary Keevill	Asavari Alvarez						
Edison Mission Marketing & Trading	Generation Owners	✓ William Roberts	Robert Agnello	Jeffrey Ellis					
Entergy Nuclear Northeast	Generation Owners	✓ Marc Potkin	William Stone	✓ Ron Mackowiak					
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger					
KeySpan Ravenswood, Inc	Generation Owners	James Brennan	Rich Hohlman	✓ Dick Ackerson	✓ James D'Andrea	✓ Terrence Kain	Ron Lukas		
Mirant New York, Inc.	Generation Owners	None Assigned	None Assigned	✓ Doreen Saia	Couch White				
NRG Energy	Generation Owners	Joe DeVito	✓ Frank Rapley	Paul Savage	Marc Dworkin	Ruben Brown	Peter Chamberlain	Chris Young	
Orion Power New York	Generation Owners	✓ John Reese	Bruce Bleiweis						
PG&E Generating	Generation Owners	✓ Steve McDonald	Jeff Simmons						
PSEG Energy Resources & Trade	Generation Owners	✓ Howard Fromer	Michael LaFalce						
Sithe Energies, Inc.	Generation Owners	None Assigned	✓ Garry Brown	David Applebaum					
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry						
Aaron Breidenbaugh	Non-voting	Aaron Breidenbaugh							
Caihnness Energy, L.L.C	Non-voting	None Assigned	Jack Feinstein						
Cianbro Corporation	Non-voting	Chuck Hewett	John Tompkins						
Hudson River Energy Group	Non-voting	Frank Radigan							
NYS Department of Public Service	Non-voting	✓ Saul Rigberg	Tom Dvorsky						
William P. Short	Non-voting	William Short	Marc Schaefer	Joe DeVito	✓ John Brodbeck	Ron Matlock	Paul Savage	Roberto Denis	
1st Rochdale Cooperative NYC	Other Suppliers	Phyllis Kessler	Gregory Wortham	Andrea Mendez					
Advantage Energy, Inc.	Other Suppliers	Kyle Storie							
Amerada Hess Corporation	Other Suppliers	Hemant Jain	Kevin Laguardia	Keith Mills					
American Electric Power (AEP) Srvc. Corp.	Other Suppliers	Ron McNamara	Tom Chapman						
Aquila Energy Marketing Corp.	Other Suppliers	Jason Stever	✓ Peter Brown	David Wiesner	Pamela VanHorn	Richard Mooney	Susan Chamberlin		
Cinergy Capital and Trading	Other Suppliers	Walt Yeager	Jan Bagnall						
Con Edison Energy	Other Suppliers	✓ Ken Bekman	Ivan Kimball						
Con Edison Solutions	Other Suppliers	✓ Ken Bekman	✓ Stephen Wemple						
Connectiv	Other Suppliers	Steve Huntoon	Bill Fehr						
Constellation Power Source	Other Suppliers	✓ Daniel Allegretti	Harvey Reed	✓ Glen McCartney	✓ Mary Lynch				✓ Sam O'Neill
Coral Power, LLC	Other Suppliers	✓ Marc Overdyk	Dave French						
Dominion Energy Marketing, Inc.	Other Suppliers	Lou Oberski	Harold Adams						
Duke Energy North America, LLC	Other Suppliers	Ronald Matlock	Del Disher	Tom Bankert					
Dynegy	Other Suppliers	✓ Matthew Picardi	Reed Armstrong						
EI Paso Merchant Energy	Other Suppliers	Gary Keevill	Asavari Alvarez						
Energetix, Inc.	Other Suppliers	Barney Farnsworth							
Exelon Generation - Power Team	Other Suppliers	Linda Clarke	✓ Garry Brown	David Applebaum	Regina Carrado	Eric Olson			
FPL Energy	Other Suppliers	Roberto Denis	Bill Fenerty						
HQ Energy Services	Other Suppliers	Benoit Goyette	Michel Prevost	Paul Norris	Joel Zipp	Gunnar Birgisson			
KeySpan Energy Services	Other Suppliers	Ron Lukas	Ruben Brown	Peter Chamberlain	John Smith				
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	✓ Levon Kazarian	✓ Doron Ezickson				✓ Pohsu Wei
New Energy Inc.	Other Suppliers	Peter Duprey	✓ Carrie CullenHitt	Steve Fernands					
NU / Select Energy	Other Suppliers	Gunnar Jorgensen	✓ James Scheiderich						

New York Independent System Operator - Committee Membership

Management Committee - Attendance September 12, 2002 - New York, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Proxy	Guest
Ontario Power Generation Inc.	Other Suppliers	✓ Barry Green	Tasos Karatsoreos	Ken Lacivita					
PP&L Energy Plus	Other Suppliers	✓ John Brodbeck		Roger Dolan	Garreth Kirkner				
Reliant Energy Services, Inc.	Other Suppliers	Bruce Bleiweis	✓ John Reese						
Sempra Energy Trading	Other Suppliers	✓ Tom Halleran	Dana Volpe	Russel Like	✓ Mally Becker	Bob Chilton			
Strategic Energy LLC	Other Suppliers	Michael Swider	Jeffrey Knox	James McCormick	Helen Caldwell				
Strategic Power Management, Inc.	Other Suppliers	Dan Duthie	✓ Mario DiValentino						
Transalta (formerly MEGA)	Other Suppliers	None Assigned	John Carmody						
TransEnergie U.S. Ltd.	Other Suppliers	Other Suppliers	✓ José Rotger						
Williams Energy Marketing & Trading Co.	Other Suppliers	Marji Philips	David Singer	Dennis Keener					
Long Island Power Authority	Public Power - Authorities	✓ Jim Parmelee	Seth Hulkower	Alan Elberfield					
New York Power Authority	Public Power - Authorities	✓ Robert Hiney	✓ William Palazzo	✓ Kim Byham					✓ Kevin Jones
American Wind Energy Association	Public Power - Environmental	David Wooley	✓ Larry DeWitt						
Environmental Advocates	Public Power - Environmental	Anne Reynolds	✓ Anne Reynolds						
Nat'l Resources Defense Council	Public Power - Environmental	Dale Bryk	✓ Dale Bryk						
Pace University	Public Power - Environmental	Edward Smeloff	✓ Edward Smeloff						
Scenic Hudson	Public Power - Environmental	✓ Larry DeWitt							
Bath Electric, Gas & Water Systems	Public Power - Munis & Co-ops	✓ Paul Pallas	Matthew Benesh	Jim Hamilton	Jack Brown	Ken Moore		✓ Tom Rudebusch	
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	✓ Michael Darroch	David Gustafson	Wally Haase	✓ Tom Rudebusch				
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	✓ Jack Brown	✓ Tom Rudebusch					
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tom Rudebusch	✓ Paul Pallas					
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	Robert Kortright	Anthony Fiore					
Village of Rockville Centre	Public Power - Munis & Co-ops	✓ Paul Pallas	Jim Hamilton	Jack Brown	Ken Moore	Matthew Benesh		✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	✓ Paul Pallas	Matthew Benesh	Jack Brown	Ken Moore		✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	✓ Charles Freni	John Watzka						
Consolidated Edison	Transmission Owners	✓ Joe Oates	✓ Terry Agriss	✓ Neil Butterklee					
National Grid	Transmission Owners	✓ Jerry Ancona	Wes Yeomans	Peter Flynn	Herb Schrayshuen				
NY State Electric Gas (NYSEG)	Transmission Owners	Hank Masti	Denis Wickham	Clifton Olson	✓ Laurie King-Pirchner	✓ Ray Kinney			
Orange & Rockland, Inc.	Transmission Owners	None Assigned							
Rochester Gas & Electric	Transmission Owners	Clifton Olson	✓ Laurie King-Pirchner						
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							
New Member	Non-voting	None Assigned							

NYISO and Hunton & Williams Members in Attendance:

✓ Ira Freilicher	Hunton & Williams
Kathy Robb	Hunton & Williams
✓ Andy Ragogna	NYISO
✓ Elaine Robinson	NYISO
✓ Kristen Kranz	NYISO
✓ Leigh Bullock	NYISO
✓ Ray Stalter	NYISO
✓ Bill Museler	NYISO
✓ Ernie Cardone	NYISO
✓ Rob Fernandez	NYISO
✓ John Cutting	NYISO
✓ Jim Schmidt	NYISO
✓ Jane Lathrop	NYISO
✓ Mollie Lampi	NYISO
✓ John Charlton	NYISO
✓ Kate Doyle	NYISO
✓ Dave Evanoski	NYISO
✓ Mike Jaegar	NYISO

Key:

✓ = In attendance

New York Independent System Operator

Management Committee - September 12, 2002

Motion: Motion #2

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	6.00	2.00	2	16.13	5.38	
Other Suppliers	21.5	✓	✓	21.50	6.00	1.00	5	18.43	3.07	
Transmission Owners	20.0	✓	✓	20.00	3.00	1.00	0	15.00	5.00	
End Use Consumer			✓							
Large Consumer	9.0	✓		9.00	5.00	0.00	0	9.00	0.00	
Large Cons. Gov. Agency	2.0	✓		2.00	1.00	0.00	0	2.00	0.00	
Small Consumer	4.5	✓	✓	4.50	11.00	0.00	0	4.50	0.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	1.00	0.00	0	2.70	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	2.00	0.00	0	1.80	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	2.00	0.00	0	15.00	0.00	
Munis and Coops	7	✓		7.00	0.00	0.00	6	0.00	0.00	
Environmental	2	✓		2.00	5.00	0.00	0	2.00	0.00	
				5	100.00	42.00	4.00	13	86.55	13.45
					100.00	Normalized to 100% :		86.55	13.45	

New York Independent System Operator

Management Committee - September 12, 2002

Motion Motion #2

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.	Jeffrey Gerber		y	1.00	
End Use - Gov. Agency/Aggr.	The City of New York	Richard Miller		y	1.00	
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Michael Mager		y	1.00	
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Michael Mager		y	1.00	
End Use - Large Consumer	Occidental Chemical Corp.	Michael Mager		y	1.00	
End Use - Large Consumer	Praxair Inc.	Michael Mager		y	1.00	
End Use - Large Consumer	Xerox Corporation	Michael Mager		y	1.00	
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y	1.00	
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y	1.00	
End Use - Small Consumer	Beth Israel Health Care System	Catherine Luthin		y	1.00	
End Use - Small Consumer	Building and Realty Institute	Herb Rose		y	1.00	
End Use - Small Consumer	Citizens Advisory Panel	Larry DeWitt		y	1.00	
End Use - Small Consumer	CNYC Inc. (Council of NY Coop & Condo)	Herb Rose		y	1.00	
End Use - Small Consumer	Columbia University	Catherine Luthin		y	1.00	
End Use - Small Consumer	Mount Sinai Medical Center	Catherine Luthin		y	1.00	
End Use - Small Consumer	New York Energy Buyers Forum	Tariq Niazi		y	1.00	
End Use - Small Consumer	New York Presbyterian Hospital	Catherine Luthin		y	1.00	
End Use - Small Consumer	New York University	Catherine Luthin		y	1.00	
End Use - Small Consumer	Refined Sugars, Inc.	Catherine Luthin		y	1.00	
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y	1.00	
Generation Owners	AES NY	Christopher Wentlent		y	1.00	
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y	1.00	
Generation Owners	East Coast Power		y			
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y	1.00	
Generation Owners	Indeck Energy Services	Mark Younger		y	1.00	
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y	1.00	
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		
Generation Owners	NRG Energy	Frank Rapley		y		1.00
Generation Owners	Orion Power New York	John Reese	y	y		
Generation Owners	PG&E Generating	Steve McDonald		y	1.00	
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y		1.00
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	Aaron Breidenbaugh		y			
Non-voting	Caithness Energy, L.L.C		y			
Non-voting	Cianbro Corporation		y			
Non-voting	Hudson River Energy Group		y			
Non-voting	NYS Department of Public Service	Saul Rigberg	y	y		
Non-voting	William P. Short	John Brodbeck	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Peter Brown		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Ken Bekman	y	y		
Other Suppliers	Con Edison Solutions	Ken Bekman	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Daniel Allegretti		y	1.00	
Other Suppliers	Coral Power, LLC	Marc Overdyk		y		
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y	1.00	
Other Suppliers	El Paso Merchant Energy					
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y	1.00	
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services					
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group	Levon Kazarian		y		
Other Suppliers	New Energy Inc.	Carrie Cullen-Hitt	y	y		
Other Suppliers	NU / Select Energy	James Scheiderich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.	Barry Green		y		
Other Suppliers	PP&L Energy Plus	John Brodbeck		y	1.00	
Other Suppliers	Reliant Energy Services, Inc.	John Reese		y		1.00
Other Suppliers	Sempra Energy Trading	Tom Halleran		y	1.00	
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.	Michael Jacobs	y	y		
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	Jim Parmelee		y	1.00	
Public Power - Authorities	New York Power Authority	Robert Hiney		y	1.00	
Public Power - Environmental	American Wind Energy Association	Larry DeWitt		y	1.00	
Public Power - Environmental	Environmental Advocates	Larry DeWitt		y	1.00	
Public Power - Environmental	Nat'l Resources Defense Council	Larry DeWitt		y	1.00	
Public Power - Environmental	Pace University	Larry DeWitt		y	1.00	
Public Power - Environmental	Scenic Hudson	Larry DeWitt		y	1.00	
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Paul Pallas		y		
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	Michael Darroch		y		
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Paul Pallas		y		
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y		
Public Power - Munis & Co-ops	Village of Freeport					
Public Power - Munis & Co-ops	Village of Rockville Centre	Paul Pallas		y		
Public Power - Munis & Co-ops	Village of Westfield	Paul Pallas		y		
Transmission Owners	Central Hudson Gas & Electric	Charles Freni		y	1.00	
Transmission Owners	Consolidated Edison	Joe Oates		y	1.00	
Transmission Owners	National Grid	Jerry Ancona		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Laurie King-Pirchner		y		1.00
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner	y	y		

New York Independent System Operator

Management Committee - September 12, 2002

Motion: Motion #4

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	0.00	9.00	1	0.00	21.50	
Other Suppliers	21.5	✓	✓	21.50	2.00	6.00	4	5.38	16.13	
Transmission Owners	20.0	✓	✓	20.00	3.00	0.00	1	20.00	0.00	
End Use Consumer			✓							
Large Consumer	9.0	✓		9.00	0.00	0.00	5	0.00	0.00	
Large Cons. Gov. Agency	2.0	✓		2.00	0.00	0.00	1	0.00	0.00	
Small Consumer	4.5	✓	✓	4.50	9.00	0.00	2	15.50	0.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	0.00	0.00	1	0.00	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	2.00	0.00	0	4.50	0.00	
Public Power			✓							
State Power Authorities	8	✓		8.00	0.00	1.00	1	0.00	9.07	
Munis and Coops	7	✓		7.00	6.00	0.00	0	7.93	0.00	
Environmental	2	✓		2.00	0.00	0.00	5	0.00	0.00	
				5	100.00	22.00	16.00	21	53.31	46.69
				100.00 Normalized to 100% :				53.31	46.69	

New York Independent System Operator

Management Committee - September 12, 2002

Motion Motion #4

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.	Jeffrey Gerber		y	1.00	
End Use - Gov. Agency/Aggr.	The City of New York	Richard Miller		y	1.00	
End Use - Large Consumer	Alcoa/Reynolds Metals Company	Michael Mager		y		
End Use - Large Consumer	ATCO Management Co.					
End Use - Large Consumer	IBM Corporation	Michael Mager		y		
End Use - Large Consumer	Occidental Chemical Corp.	Michael Mager		y		
End Use - Large Consumer	Praxair Inc.	Michael Mager		y		
End Use - Large Consumer	Xerox Corporation	Michael Mager		y		
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y		
End Use - Small Consumer	Association for Energy Affordability, Inc.	Larry DeWitt		y		
End Use - Small Consumer	Beth Israel Health Care System	Catherine Luthin		y	1.00	
End Use - Small Consumer	Building and Realty Institute	Herb Rose		y	1.00	
End Use - Small Consumer	Citizens Advisory Panel	Larry DeWitt		y		
End Use - Small Consumer	CNYC Inc. (Council of NY Coop & Condo)	Herb Rose		y	1.00	
End Use - Small Consumer	Columbia University	Catherine Luthin		y	1.00	
End Use - Small Consumer	Mount Sinai Medical Center	Catherine Luthin		y	1.00	
End Use - Small Consumer	New York Energy Buyers Forum	Tariq Niazi		y	1.00	
End Use - Small Consumer	New York Presbyterian Hospital	Catherine Luthin		y	1.00	
End Use - Small Consumer	New York University	Catherine Luthin		y	1.00	
End Use - Small Consumer	Refined Sugars, Inc.	Catherine Luthin		y	1.00	
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		
Generation Owners	AES NY	Christopher Wentlent		y		1.00
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y		
Generation Owners	East Coast Power		y			
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		1.00
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y		1.00
Generation Owners	Indeck Energy Services	Mark Younger		y		1.00
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		1.00
Generation Owners	Mirant New York, Inc.	Doreen Saia		y		1.00
Generation Owners	NRG Energy	Frank Rapley		y		1.00
Generation Owners	Orion Power New York	John Reese	y	y		
Generation Owners	PG&E Generating	Steve McDonald		y		1.00
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y		1.00
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	Aaron Breidenbaugh		y			
Non-voting	Caithness Energy, L.L.C		y			
Non-voting	Cianbro Corporation		y			
Non-voting	Hudson River Energy Group		y			
Non-voting	NYS Department of Public Service	Saul Rigberg	y	y		
Non-voting	William P. Short	John Brodbeck	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	Amerada Hess Corporation					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Peter Brown		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Ken Bekman	y	y		
Other Suppliers	Con Edison Solutions	Ken Bekman	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Daniel Allegretti		y		1.00
Other Suppliers	Coral Power, LLC	Marc Overdyk		y		
Other Suppliers	Dominion Energy Marketing, Inc.					
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy	Matthew Picardi		y		1.00
Other Suppliers	El Paso Merchant Energy					
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y		1.00
Other Suppliers	FPL Energy					
Other Suppliers	HQ Energy Services					
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group	Levon Kazarian		y		
Other Suppliers	New Energy Inc.	Carrie Cullen-Hitt	y	y		
Other Suppliers	NU / Select Energy	James Scheiderich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.	Barry Green		y		1.00
Other Suppliers	PP&L Energy Plus	John Brodbeck		y		1.00
Other Suppliers	Reliant Energy Services, Inc.	John Reese		y		1.00
Other Suppliers	Sempra Energy Trading	Tom Halleran		y		
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		1.00
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.	Michael Jacobs	y	y		
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	Jim Parmelee		y		
Public Power - Authorities	New York Power Authority	Robert Hiney		y		1.00
Public Power - Environmental	American Wind Energy Association	Larry DeWitt		y		
Public Power - Environmental	Environmental Advocates	Larry DeWitt		y		
Public Power - Environmental	Nat'l Resources Defense Council	Larry DeWitt		y		
Public Power - Environmental	Pace University	Larry DeWitt		y		
Public Power - Environmental	Scenic Hudson	Larry DeWitt		y		
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	Michael Darroch		y	1.00	
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Freeport					
Public Power - Munis & Co-ops	Village of Rockville Centre	Paul Pallas		y	1.00	
Public Power - Munis & Co-ops	Village of Westfield	Paul Pallas		y	1.00	
Transmission Owners	Central Hudson Gas & Electric	Charles Freni		y	1.00	
Transmission Owners	Consolidated Edison	Joe Oates		y	1.00	
Transmission Owners	National Grid	Jerry Ancona		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Laurie King-Pirchner		y		
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Laurie King-Pirchner	y	y		